

Their lives have been completely turned upside down by this phenomenon, this elimination of the border, the fact that there is no longer a border, the "It is not really two countries, it is just a region" philosophy. Their lives have been turned upside down. Their ranches are being destroyed. They are being essentially driven out of their homes.

I just wanted to bring Mr. Adams to the attention of the body as a homeland hero.

□ 1945

AMERICA'S IMPORTANT WAR COLLEGES

The SPEAKER pro tempore (Mrs. MILLER of Michigan). Under a previous order of the House, the gentleman from Missouri (Mr. SKELTON) is recognized for 5 minutes.

Mr. SKELTON. Madam Speaker, I rise today to commend our troops on the battlefields in Iraq. Their continuing advance to victory is a product of that courage and ingenuity under changing conditions. It is also the results of extraordinarily detailed and adaptive planning. That itself was built on the knowledge and wisdom instilled by our war colleges.

These institutions in every service make great officers into outstanding war-time leaders. Military historians have noted that the allied victory in World War II is due in no small part to the fact that some of our top military leaders both attended and taught at the services war colleges. I believe the same will be said for Operation Iraqi Freedom. In all of the services, including the Army's exceptional war college at Carlisle, Pennsylvania, our officers are skilled in the art of strategy, operations, and tactics that are the foundation of an innovative and effective military campaign.

The instruction provided by our service intermediate- and senior-level war colleges came to fruition in the war plan developed by General Tommy Franks and his team. The plan outlined a truly joint effort that has kept American forces a constant 48 to 72 hours ahead of Iraqi responses. The strategy has hit hard at Iraqi leadership and Republican Guard targets, degrading command and control and isolating the bands of fighters unwise enough to take on our troops. Quite simply, the Iraqi military is already incapable of fighting in a coordinated way at division, brigade, and battalion levels. This is a stunning military achievement that would not have been possible without leaders educated in the art of war. And we as a Nation owe a debt to the professional military education system that provided that education to today's senior military leaders.

The current American infiltration of Baghdad demonstrates our disciplined ability to encircle the city and deal with the remnants of resistance, sector by sector. The strategy also shows a so-

phisticated approach to enhancing the psychological impact of each military action taken. By removing the will of the Iraqis to fight, our victory and the Iraqi people's liberation will come that much more quickly. I believe that military historians and strategists will long study the plans of this operation, the planning that was a product of the American war college system will become the lesson plan for future officers.

As British Air Marshal Brian Burridge said this morning, the U.S. advance into Bagdad has been unique. Historians and academics will pour over it for years, and this will be a required case study for students of war.

We should be proud of our troops and of the officers who lead them. But we should also feel deep pride for the system of institutions that has made this leadership as exceptional as it is.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

AMERICA NEEDS A BALANCED BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from South Carolina (Mr. SPRATT) is recognized for 60 minutes as the designee of the minority leader.

Mr. SPRATT. Madam Speaker, I would like to open up by saying when the President sent us his budget this year the Office of Management and Budget, OMB, acknowledged that the surplus of the \$5.6 trillion which we all hailed 2 years ago is gone. It has vanished. In fact, OMB now says there never was such a surplus when they, the Office of Management and Budget, adjust the surplus to account for the economy as they see it now. The 10-year surplus is no longer \$5.6 trillion. It is \$2.4 trillion. And all of that \$2.4 trillion has been committed, or I should say overcommitted, by policy action to the tune of \$129 billion. That is what we would incur if we did not do anything else, mostly due to the tax cuts passed in June of 2001.

So any additional tax cuts and any additional spending beyond current services will go straight to the bottom line. There is no surplus anymore to mitigate or cushion or offset that deficit. It goes straight to the bottom line and adds dollar to dollar to the deficit. The arithmetic is simple.

Knowing that, the President of the United States nevertheless proposes \$2 trillion in additional policy actions, legislative actions here, mostly, once again, in new tax cuts that will add \$2 trillion to our national debt over the next 10 years.

Now, when the Congress Budget Office sent us their analysis of the Presi-

dent's budget as they are required by law to do, they saw deficits out as far as they forecast. As a matter of fact, when you back out Social Security as I think you should because I do not think we should be spending Social Security, and everybody on this House floor who was here just a couple of years ago foreswore the practice of ever again spending the Social Security surpluses, so when you back it out and look at what CBO portrays and depicts the President's budget to produce, you will see that over the next 10 years they forecast deficits, without a Social Security surplus to offset them, deficits of \$400 billion at least every year for the next 10 years.

So when you remove the Social Security surplus from the equation, the accumulation of deficits is \$4 trillion over the next 10 years. As a consequence of this budget that the President sent up here, in a way both Houses repudiated the President's budget. Both Senate Republicans and House Republicans rejected what the President sent. When the House Republicans saw the President's budget, they warmly embraced his tax cuts. They were ready for another round of tax cuts, despite our experience with the last round; but they at least acknowledged the responsibility to go find some offsets, some spending offsets that would help mitigate, reduce, cushion the impact of these huge tax cuts. The President was seeking another \$1.4 trillion in tax cuts as much again this year as he did back in 2001.

They went back looking for some offsets; and they came up with \$470 billion in what we call, in budget parlance, reconciliation tax cuts. These are reconciliation spending cuts. These are directives to the committees of jurisdiction that write legislation that deal with Medicare and Medicaid and school lunches, a whole array of entitlement programs, to go change that permanent law so that they can save a certain sum of money by a certain date.

In this case, as I said, the total of all those reconciliation instructions came to \$470 billion. Our Republican colleagues wanted to cut Medicare over the next 10 years by \$262 billion, Medicaid by \$110 billion, veterans by \$15 billion on the mandatory side, the entitlement side and 15 more on the veterans health care side, education by \$9.4 billion on the mandatory side. That would have to come out of school lunches and student loans, government pensions \$40 billion, the railroad retirement program, a vested benefit if there ever was one, \$3.7 billion.

Well, those offsets had a short shelf life. They survived attack in the Committee on the Budget. They all voted for it on the Republican side of the committee; but during the markup, the chairmen of these different committees who were about to be the object of these reconciliation instructions came forth and they said, you have got to give us some relief. We cannot do it. So the number was cut from \$470 billion to \$265 billion.

Then when we got ready to go to conference, we came out here with a motion to instruct the conferees. And what we said is, even though you have cut this number from \$470 billion in Medicare and Medicaid and education and veterans cuts, even though you shaved this somewhat, you are still taking \$107 billion out of the Medicaid program in all likelihood. You could wipe out the children's health insurance program with the budget in the form you have got it right now.

So we said let us have a vote of the whole House on these and see if this really is the sentiment of the House. And guess what? By all of 300-and-some-odd votes, 22 nays, we said we do not want to cut Medicare and Medicaid and these other programs, education, veterans, by this amount. The Senate took a totally different tact, but they likewise repudiated the President's budget. The President in effect wants another \$1.4 trillion dollars in tax cuts this year even though they all go straight into the deficit and swell the deficit. So the Senate said, no, the first half of your tax cuts, Mr. President, which would make the tax cuts you did in June of 2001 permanent, right now they expire on December 31, 2010, rather than make that permanent now, we will put them on the back burner. We will come back to that one. That will take at least \$650 billion out of the tax package. And as for the rest, they said, let us cut it about in half. So they shaved it to \$350 billion.

So the House rejected the President's budget request by seeking to offset it and failed. The Senate rejected it by coming up with a much, much smaller tax cut; but we have still got tax cuts looming. You have still got the problem of sunset of the 2001 tax cuts. You have still got something call the alternative minimum tax which 30 million tax payers will confront over the next 10 years, and it will have to be adjusted. There is no question about it. These two actions alone, making permanent the 2001 tax cuts and adjusting the alternative minimum tax, could take another 1 trillion, \$1.3 trillion out of revenues over the next 10 years and make resolution of the deficit all but impossible.

So here we are talking tonight because this is a serious problem; and it has received very, very little attention. We want to call it to the attention of both Houses because, as we see it, we are positioned right now between two fatally flawed alternatives. The House and Senate resolutions, the one that passed the House and the one that passed the Senate, framed the conference such that there is no responsible way out. Both resolutions lead to large intractable deficits: \$2 trillion in additional deficits if you back out Social Security, \$4 trillion if you back out Social Security. And both lack any plan or process for wiping these deficits out.

This was not necessary, Madam Speaker. That is the first point to

make. All of this pain, all of this confusion, all of this deviation from the straight and narrow path of fiscal responsibility we were following just a couple of years ago could have been avoided if we simply recognized that we could have tax reduction, but not the massive tax reduction that was passed in 2001 or that the President would have us pass again. All of these cuts in Medicare and Medicaid and veterans and education would not be necessary but for these tax cuts. They are made necessary to make room for the tax cut. If you simply left the budget alone and let current services be provided at the current level and left the tax cut alone, by the year 2008 the budget would be in unified balance including Social Security. Instead, under the budget alternatives we have now, we have the equally unpalatable choices of a budget that we hope gets to balance in the year 2012, that is so far out hardly anybody can validate it, or maybe 2013. That is how bad a situation we find ourselves in because we have not faced reality.

And we offered an alternative here on the House floor. The Democratic resolution would have adequately provided for education, would have provided \$528 billion for Medicare prescription drug benefit, and would have provided some tax cuts. We wanted to put some money in the pockets of American consumers likely to spend it to give this economy a boost, a jump. We wanted to give some money to businesses to encourage them to invest, some tax cuts to businesses to encourage them to invest. We had tax cuts too, just not as massive as those included in the President's proposal. And we got to balance in the year 2010. We accumulated a trillion dollars less debt than the Republicans. We had a budget that was commendable. It was rejected. But we have not given up, and that is why we are here tonight.

To begin, we want to talk about veterans benefits, not the biggest item in the budget; but I would say one of the most important. If there is any promise we should keep, particularly in a time of war, it is the promises we made to our veterans. And those promises, under the two budget resolutions, one passed by the House, House Republicans, the other passed by the Senate, are in jeopardy.

Madam Speaker, I yield to the gentleman from North Carolina (Mr. PRICE).

Mr. PRICE of North Carolina. Madam Speaker, I thank the gentleman for yielding and for taking out this Special Order tonight to discuss the fiscal folly that this administration and the Republican leadership of this House are engaged in.

□ 2000

The President's budget and the budget passed by Republicans in the House really give us the worst of both worlds. The Republican budget takes us over the cliff fiscally, with \$2 trillion being

added to the publicly held debt over the next 5 years, by 2008. At the same time there are deep cuts in basic domestic obligations and priorities that we simply must meet. All this is to make room for the President's tax cut, mainly benefitting the upper bracket taxpayers.

I appreciate the gentleman giving us a chance tonight to hear from a number of Members who will talk about various aspects of this budget and the way that it will affect our constituents and the American people.

As a member of the Committee on Appropriations subcommittee that oversees veterans affairs, I am especially glad that we are bringing much-needed attention to the issue of veterans benefits. The budget adopted on a party line vote in the House on March 21 includes cuts of more than \$28 billion in veterans benefits over the next 10 years. That includes cuts in both entitlement funding and in discretionary funding, and these cuts, Mr. Speaker, come at a time when the VA health care system is already in a state of crisis.

Indeed, there are more than 200,000 veterans waiting 6 months or longer now for their first medical appointment with the VA.

The cuts are in both entitlements and discretionary spending.

The House Republican budget cuts appropriated programs for veterans below the level needed to maintain 2003 purchasing power over the next 10 years by a total of \$14.2 billion. This would necessitate major cuts in veterans health care, because health care makes up 96 percent of the discretionary spending that we do for veterans.

The Department of Veterans Affairs projection shows that there is going to be no decrease in the core population of eligible veterans over that time period, nothing that would reduce the demand for health care, and the population of noncore, that is, Priority 7 and 8 veterans, is projected to increase over that period.

So the funding reductions in veterans health care in the House Republican budget would reduce the number of veterans that the VA could treat; our estimate is a reduction of an average of 280,000 persons per year, or about 5.7 percent, over the next 10 years. That is a drastic cut. That is a slap in the face to people who have served this country honorably and well and whom we have promised would have their health care needs met.

Our Republican friends are also wanting to cut entitlement spending for veterans. The so-called reconciliation instructions in the Republican plan require \$14.6 billion in unspecified reductions in veterans benefits to root out the waste, fraud and abuse that House Republicans apparently believe can be found in veterans programs. This \$14.6 billion cut represents a cut of 3.8 percent in mandatory spending, far below the levels in current law.

The Republicans have claimed that this is a 1 percent reduction. The red line on this chart is what it would take to maintain the current purchasing power of these veterans entitlement programs. The blue line is the claimed 1 percent reduction, but the green line is what the Republican budget actually would do. Those are the cuts that we would see, the erosion in present purchasing power of programs for veterans.

What would we have to do to achieve these savings? Well, maybe one option would be to eliminate burial benefits for veterans, or maybe we could reduce the cost-of-living allowances or compensation payments for veterans with service-connected disabilities for the next 6 to 10 years. Our Republican friends do not say, but with numbers this drastic, cuts this drastic, there is no question that we would be seeing a serious erosion in benefits.

I would like to recognize the gentlewoman from Oregon (Ms. HOOLEY), a member of the Committee on Veterans Affairs and a champion of veterans, and would invite her to comment on the situation that we are facing.

Ms. HOOLEY of Oregon. Mr. Speaker, will the gentleman yield?

Mr. SPRATT. I yield to the gentlewoman from Oregon.

Ms. HOOLEY of Oregon. Mr. Speaker, I appreciate my colleague for yielding to me.

I think this is a time when we are sending and have sent our young men and women into battle, and what better way to honor them than by honoring our current veterans, and it is important that we restore these cuts.

I mean, I look at our own VA hospital in Portland, Oregon, where we have cut 10 percent of our budget already before this budget. We have something like 6,000 veterans waiting to get an appointment. Even the veterans who have been disabled during war are taking 6 months to be seen, and now we are talking about cutting health care benefits.

This is a promise we made to people when they said they would serve, that we would provide health care to them, and we are still making that promise. I have a young gentleman working in my office who was a recruiter for the service, and he said, I was told when we recruit people to tell them that they would get health care benefits for the rest of their lives.

If we are making that kind of a promise, we need to keep that promise. We cannot keep that promise if we are cutting \$28 billion out of the budget; and why, I want to ask my colleague, why are we cutting \$28 billion out of the budget? Why is this necessary?

Mr. PRICE of North Carolina. Mr. Speaker, let me just read what the national commander of the Disabled American Veterans says about that very subject. He says it better than I could.

"Has Congress no shame?" he said a couple of weeks ago when this Repub-

lican budget was before the House. "Is there no honor left in the hallowed halls of our government that you choose to dishonor the sacrifice of our Nation's heroes and rob our programs, health care and disability compensation, to pay for tax cuts for the wealthy?" That is his diagnosis, and I think it is hard to argue with.

Ms. HOOLEY of Oregon. These tax cuts are not for stimulating the economy.

Mr. PRICE of North Carolina. On the contrary, I do not know of any economist who believes that the tax cuts this administration is proposing would have a stimulative effect on this economy. These are tax cuts that would exempt dividends from taxation and rate cuts that would affect mainly the top brackets, people who would not be spending the money and stimulating the economy.

Ms. HOOLEY of Oregon. Mr. Speaker, it seems to me that we have a situation where they are cutting money out of health care benefits at a time when the population is increasing the need for health care benefits more and at a time that we already have huge waiting lists, at a time that we said we are sending our young men and women into battle and we said we would provide health care to all veterans for the rest of their life.

It is a promise we need to keep. If we can no longer keep that promise, then we need the tell the new people coming in that we cannot keep this promise and give them a different promise or different assumptions.

Mr. PRICE of North Carolina. Mr. Speaker, we had before our subcommittee a couple of weeks ago the Secretary of the Department of Veterans Affairs, Secretary Principi, and so I had an opportunity to ask him what he thought of the House Republican budget and what they had done to his Department. I also asked what he thought of the accusation that there was that much waste, fraud and abuse in his Department. He hesitated a moment and he said to me, "Congressman, what we need at the Veterans Administration is an increase, not a decrease." He went on to cite the aging of the World War II veteran population and the kind of pressures that his Department is under to deliver quality health care.

Ms. HOOLEY of Oregon. It is hard to cut waste, fraud and abuse when we are talking about compensation to disabled veterans and when we are talking about health care where there is not enough money and where they are already making cuts and the number of people on the waiting lists grows and grows and grows.

I know my colleague from Texas visited her veterans hospital this week.

Mr. PRICE of North Carolina. Our colleague, the gentlewoman from Texas (Ms. JACKSON-LEE), indeed does have a veterans hospital in her district. So she is well-acquainted with the good work that they do in these facilities and also what these cuts might mean.

Ms. JACKSON-LEE of Texas. Mr. Speaker, will the gentleman yield?

Mr. SPRATT. I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I am delighted to join, maybe painfully delighted to join, my distinguished friend from North Carolina and the distinguished gentlewoman from Oregon, because I could not agree with them more, and to express my great disappointment in real terms, if you will.

I visited my friends at the veterans hospital this morning. I wanted to go by and thank the professional staff for the work that they are doing under these very hard times, and I also wanted to acknowledge the veterans who were hospitalized there, the staff that was hospitalized, and what did I get but a real-life picture of what they were facing.

My hospital personnel leadership told me they had 3,400 on the waiting list, but with a little belt tightening and no money, they were to get that number down to about 1,000. But at the same time, since January, they have seen an 18 percent increase in demand for service, they painfully told me.

And I do not think most Americans may be aware of this, when we talk about de-enrolling of individuals, there is some crafting or characterization that these are high-income individuals that we are de-enrolling; that the reason why they cannot get the service is because they make a lot of money. They make \$30,000 a year. That is sort of a cutoff, as I understand it, and that is certainly not a lot of money.

As I said, my voice was raspy going through, but they were so important, and I went from bed to bed saying hello to veterans; and what they were telling me is, we are getting good care here, we would not have had anyplace else to go.

Just this last Friday I was with homeless veterans, Vietnam veterans in particular, and the shelter that they were in was referring them not only to the hospital because they needed hospital care, but also to the services of the Veterans Department.

So what shocks me is, I am seeing here that on April 1 virtually every Republican Member, as I understand it from the gentleman from South Carolina (Mr. SPRATT), voted in favor of a Democratic motion to instruct conferees to reject that \$14.6 billion cut from veterans resources. Now I am confused because I believe we are coming to the floor again with our conference report, and we are still in the same predicament.

My colleagues made a very good point, and I just want to add to this and mention that we have 200,000 veterans who are currently waiting 6 months or longer for their medical appointment, but when I went to the hospital, the reason why I wanted to thank them was because I noticed, as our troops are bravely fighting in Iraq, these valiant young men and women,

some of whom will be needing these services, some of whom will become veterans almost immediately right now in the hospitals. Here in this region, the military hospitals, I have got constituents from Texas who, I understand, have lost limbs; the services that they will ultimately need will be at veterans hospitals.

How can we say no to them and the existing veterans? So I guess, when I ask the question, I am shocked at where we are.

And I want to throw into the RECORD, as well, a comment that I think is quite appropriate, again from the Disabled American Veterans. Let me read this. The quote is specifically:

"You are asking veterans to swallow a bitter pill, to remedy an illness of your own making. While we all like to see taxes reduced when prudent, cutting already underfunded veterans programs to offset the cost of a tax cut is indefensible and cowardly."

I guess I ask the question, and I visited with the Disabled American Veterans. We all have; they come to our offices. Are my colleagues telling me that after the motion was voted on unanimously, am I to understand that we may see a budget resolution coming out that does not restore these cuts? When any one of us as Members, it does not matter whether Republican or Democrat or an Independent, can go into our hospitals in a nonpartisan posture and ask them what they need, and they will tell us that they are turning away to-be patients or what-could-be patients because they have no money?

Mr. PRICE of North Carolina. Mr. Speaker, I thank the gentlewoman and I would like to address our ranking Budget Committee member. Is there any way that our Republican friends, who voted for this motion to instruct conferees, saying quite specifically, do not touch these programs, is there any way that they can now consistently vote for the Republican budget resolution?

Mr. SPRATT. There are deep cuts that have been made in veterans programs on both sides, mandatory entitlement programs and the veterans health care service, which is discretionary. We fund it every year in appropriations bills.

□ 2015

By the way, we are talking about just getting them just up to the level the President provided. We actually provided more in our budget resolution. We have up to the level of current services, so there would not be any loss in purchasing power.

Mr. PRICE of North Carolina. If the gentleman will yield, that is an important point. It was the Democratic budget that made the needed adjustments in veterans health care and other funding to meet the need. The President's budget fell far short of that. The veterans organizations made the case for much more adequate funding. And then our Republican friends in the House cut it even below the President's level.

Mr. SPRATT. That is exactly the point. They claim they were actually allowing the veterans budget to increase. And in nominal terms it does go up. But of course a dollar today will not buy the same thing as a dollar tomorrow, number one. Number two, in all events if you want some sort of benchmark to determine how much their cut was, we used the President's request. And what we were saying is that they were cutting the budget first \$30 billion below the President's request, and then they modified that a bit and reduced it to \$28.6 billion. But they left it in that position until we had our motion to instruct here on the House floor.

Now, we all know how much regard those motions to instruct get when there is a conference, particularly a conference like the one going on now. We do not go to those conference meetings. We had a big photo-op at the beginning, where everybody got to make a passionate statement and pound the table. But it is the last time we will see the budget conference report making these critical decisions until it comes here on the House floor to be voted upon.

That, of course, is a time when everybody can take assessment of it; and if it does not do right by veterans and education, then, by golly, if we are true to what we said in the motion to instruct, we should vote it down.

Ms. HOOLEY of Oregon. If the gentleman will continue to yield, I just want to add that people need to understand that we have made cuts already. We already have these waiting lines for health care, and this will be on top of that. We sometimes forget that there are waiting lines. There are 6,000 people waiting at our hospital. The gentlewoman from Texas had how many?

Ms. JACKSON-LEE of Texas. 3,400.

Ms. HOOLEY of Oregon. 3,400 waiting at her hospital. I suspect everyone here who has a veteran hospital can talk about the number waiting already before the tax cut.

It seems to me when any soldier comes home, he or she should not have to worry about whether or not they are going to get health care. That is not something they should be worrying about right now.

Ms. JACKSON-LEE of Texas. If the gentleman will yield for a moment, I would like to build on what the gentlewoman said.

I think there needs to be what we call mutual sacrifice, and it does not seem to have penetrated for the administration or the Republican majority that we are at war. We are spending billions of dollars on the war in Iraq and Afghanistan, and we have made a promise to these young men and women who may be returning, along with their colleagues who have already served us in World War II, Korea, Vietnam, and other places, the fact that they have actually stepped up to the plate and said I am going to serve my country.

Let me just share with my colleagues this quote, and I think this answers the question. The Paralyzed Veterans of America said, "We do not consider payments to war-disabled veterans, pensions for the poorest disabled veterans, and GI bill benefits for soldiers returning from Afghanistan and maybe Iraq to be fraud, waste and abuse."

So I want to really thank the gentleman from South Carolina (Mr. SPRATT) for his leadership on that motion, and my friends on the floor. The gentleman from South Carolina made it very clear. He pulled the door open and put the light on the process of the conference, where we should be engaging vigorously and fighting for our veterans. He is putting the light on it because he did his work, he provided us with a solid motion that could instruct these conferees. And lo and behold, in the dark of night, we are hearing there is a conference and they are all going past this idea of restoring these benefits.

I would only challenge my colleagues to go to one of their hospitals, there is probably one in a neighboring community, and look at those vets who are hospitalized, look at the staff. Some of the staff members that I met were nurses in the military service. Look at the waiting lines at clinics, and ask yourself is it better to give a tax cut to the 1 percent of the population or to give to those who are willing to step up to the plate and sacrifice their lives, their bodies, their health on behalf of the American people. I cannot imagine that they would do that.

Mr. PRICE of North Carolina. Mr. Speaker, if the gentleman will continue to yield, I want to thank the gentlewoman for her comments. We will be hearing in the remainder of this hour about many, many deficiencies and defects in this Republican budget, but I must say none of them match the sheer insensitivity and callousness of cutting veterans health care funding. It is just beyond belief that our Republican friends would attempt to do this, especially in a time of war.

They are driving the budget as a whole over the cliff while at the same time squeezing these vital programs. As we said, it is the worst of both worlds. I do appreciate the fine work of our ranking member on the Committee on the Budget, and particularly his effectiveness tonight in highlighting the differences, and believe me there is no comparison, between the alternative he put forward on this floor and the Republican budget.

Mr. SPRATT. Mr. Speaker, I thank the distinguished gentleman, and I wish to yield now to the gentleman from Washington (Mr. BAIRD) to talk about Medicare and Medicaid, which if anything serve even more people than veterans programs and involve even deeper cuts.

Mr. BAIRD. Mr. Speaker, I want to thank my colleague for his leadership on the Committee on the Budget, and I want to thank my friends who spoke so

eloquently about the needs for veterans health care. Having worked in a Veterans Hospital, I know well the needs of these fine individuals, and I know their sacrifice to this country.

Mr. Speaker, if it were not for the war today, there is no question in my mind that the two most important priorities with the American people would be the economy and health care. Fifty percent of physicians in my home State of Washington have said that they will not take new Medicare patients. There were doctors in my office today saying, Congressman, we cannot afford to see Medicare patients because in Washington State, as in Iowa, as in Wisconsin, as in Oregon and many other States, the compensation rates for our doctors are lower than elsewhere. And doctors are leaving. These doctors cannot only not afford to see patients, but we cannot even attract doctors to Washington State.

Sadly, the Republican budget does nothing to remedy this. In the Committee on the Budget, the Democrats offered an amendment to correct the inequities in rural hospital payments to try to fix this. The Republicans voted this down universally.

We also face Medicaid problems. Not just Medicare, but Medicaid problems. What is the Republican solution? To propose a \$107 billion cut in Medicare spending. Now, admittedly, Medicaid spending will go up. But the problem is it will not go up sufficiently to keep pace with the demands of the people in need and with the demands caused by inflation. Washington State alone would stand to lose \$1.7 billion over the next 10 years.

Our State has been ravaged by budget cuts already. That \$1.7 billion is not just a number. It is children who cannot see a doctor, and it is working parents who have no health care for their families. That is fundamentally what is wrong with this budget.

Now, I could understand and support the need to control increased costs, and I have supported that all along; but not for the sake of passing some of the largest tax cuts in history that will go to the people least in need at the expense of those most in need. Someone who has worked so hard and so diligently on the health care issue is my good friend and colleague, the gentlewoman from Wisconsin (Ms. BALDWIN); and if the gentleman will yield to her, I know she would like to make a few comments.

Mr. SPRATT. Mr. Speaker, I yield to the gentlewoman from Wisconsin (Ms. BALDWIN).

Ms. BALDWIN. Mr. Speaker, I thank the gentleman from Wisconsin for his comments, and I also want to express my appreciation for the distinguished ranking member for yielding to me this evening.

Mr. Speaker, this Republican budget is the most irresponsible I have seen. Their proposal makes deep cuts in numerous important programs, such as veterans health, as we have heard ear-

lier this evening, and education programs to make way for a tax cut that was custom designed to benefit the very wealthy, a tax cut that would give almost 2 million Wisconsinites less than \$100 each.

This budget will also add more than \$800 billion to our national debt over the next decade. An average family of four would pay \$4,500 in taxes this year just to satisfy their portion of the interest on our rising debt. Do not tell my constituents in Fort Atkinson or Beloit, Wisconsin, that deficits do not matter. Deficits are a hidden tax that affects the bottom line of every household.

But to make matters worse, the Republican budget fails to address the health care crisis that plagues our cash-strapped States. While the Republican budget impacts a number of important health programs, perhaps one of the most negatively affected is Medicaid. Republicans have proposed cuts totaling nearly \$100 billion to Medicaid over the next decade. If enacted, these cuts will be nothing short of devastating to some of America's most vulnerable citizens.

Nearly 5 million of our poorest seniors currently rely on Medicaid for nursing home care, prescription drugs, assistance with Medicare out-of-pocket expenses, and other services. An increasing number of seniors will need Medicaid in the coming years as your baby boom generation retires. Republican cuts could leave millions of seniors with nowhere else to turn.

Medicaid is also the Nation's single largest payer of children's health care. Combined with the State Children's Health Insurance Program, or SCHIP, Medicaid is the Nation's foremost health care safety net for children. Today, in America, over 6.7 million children lack health insurance. To me, this is simply unacceptable. These children need immediate preventive care and regular medical care to set them on a path to become healthy adults. The proposed Republican cuts would put dangerous obstacles along this path.

With States facing record deficits of nearly \$80 billion this year alone, now is not the time to pare back the Federal government's commitment to helping States improve the health of their communities with these devastating cuts to Medicaid. Republicans recently buckled under intense pressure from their constituents and restored over \$200 billion in proposed cuts to Medicare just hours before the resolution was taken up before this House.

While the House-passed budget appears to back away from earlier calls for Medicare cuts, it still requires the Committee on Ways and Means to make undesignated cuts of \$62 billion and the Committee on Energy and Commerce to make undesignated cuts of \$107 billion over 10 years. And there is absolutely no language in the budget resolution that protects the Medicare program against these cuts within those committees.

The cuts to Medicaid and possibly to Medicare to pay for another large tax cut has been justified by Republicans who say it will stimulate the economy. Well, I have talked to small business owners and most have not mentioned dividend tax cuts at all. Instead, they have pleaded for Congress to do something about the high cost of providing health insurance to their employees. They have explained to me that they may not be able to afford coverage for much longer. And when I have talked to unemployed workers, they have not asked me to accelerate tax cuts. Instead, they have asked me how they can afford to maintain health coverage for themselves and their families and how Congress plans to help them put the rest of America back to work.

It is my hope that conferees emerge this week with a budget that is better for all Americans, one that makes progress on the difficult challenges that face our Nation, problems like the rising cost of health care, problems like the loss of quality jobs, rather than providing a tax cut that few are asking for and far too few would ever receive.

Mr. Speaker, I once again would like to thank my distinguished colleague, the gentleman from Washington (Mr. BAIRD), who is a champion of health care for all.

Mr. BAIRD. Mr. Speaker, if the gentleman from South Carolina would continue to yield, I thank the gentlewoman from Wisconsin, who has been so eloquent in her comments about why we need to provide health care and the damage that can be done by the Republican budget.

I mentioned earlier the challenge we face in our State and so many States finding and retaining qualified physicians to treat the patients. Someone who has been a champion of another critical issue dealing with the nursing shortage that is harming our health care system throughout the country is the gentlewoman from California (Mrs. CAPPS); and if the gentleman from South Carolina would be willing to yield to her, I know she can add to this colloquy.

Mr. SPRATT. Mr. Speaker, I yield to the gentlewoman from California (Mrs. CAPPS).

□ 2030

Mrs. CAPPS. Mr. Speaker, I rise to express my concerns with the Republican budget. It is critically important that we raise these issues and we raise them now, because the conference on the budget is meeting right now to determine the shape of the budget for the Federal Government for the coming year.

Despite the adoption of our Democratic motion to instruct last week, which called on ignoring the cuts in the Republican bill, I am not particularly heartened by the progress we have seen so far. For example, much is being made of the Senate's action to cut back the President's tax cut to a

mere \$350 billion. That is certainly a better result than what we got in the House, but it is far from fiscally responsible or appropriate.

Mr. Speaker, I would remind the House that the Federal budget is on record deficits. Every nonpartisan look at the budget numbers comes up with the same result, budget deficits of \$300-400 billion for as far as the eye can see.

We must not forget that in this budget process, we are a country at war. As I speak today, men and women in uniform are risking their very lives on the front lines in Iraq. This war has already cost us young lives, and we can only hope and pray it will not cost us more. We know that our commitment in Iraq will not end soon, and we know that without a doubt the war in Iraq and its aftermath will continue to cost our Treasury. Just last week we passed legislation to provide nearly \$70 billion in emergency funding, which was not part of the budget, and that will grow this year and the next.

My point is that we have enormous commitments facing our country and we cannot ignore them. These tax cuts are crowding our ability to deal with issues on the table.

The Republican budget resolution embraces the administration's irresponsible tax cut package at the expense of our Nation's health care needs. Our health care security is part of our national security. Despite the protests of many Members of this Chamber, the majority's resolution still requires Medicaid, Medicare, and veterans programs to be cut. Medicaid is to be cut by \$93 billion, the appropriate committees are charged to either cut Medicare by \$200 billion or to shortchange an already weak prescription drug coverage benefit.

The Committee on Veterans Affairs is supposed to cut \$15 billion from their programs, the vast majority of these are health- and benefit-related. These types of cuts would endanger health care for the most vulnerable millions of Americans, those who have worn the uniform, those who have been willing to make the ultimate sacrifice. It is unconscionable, and it does not reflect American values.

And I think of the sidewalk office hours I held in Santa Maria, California this past Saturday. Veterans came to me and implored me not to cut their benefits. Senior citizens came showing me their prescription medication costs, and telling me they are on fixed incomes and they cannot pay for these. But this is inevitable if we follow the Republican plan for huge tax cuts. Cuts to these vital programs are inevitable even if the tax cut is set at the Senate number.

I hope as the conference moves forward this week, some sanity will reign. The choice seems very obvious: tax cuts or prescription drug coverage; tax cuts or health care for the low income; tax cuts or veterans benefits. It does not seem to be much of a choice.

We cannot afford these cuts, \$700 billion or \$350 billion; they will endanger

our ability to meet our commitments to seniors and veterans.

We should honor these commitments and keep our promises.

Mr. SPRATT. Mr. Speaker, I yield to the gentleman from Washington (Mr. BAIRD).

Mr. BAIRD. Mr. Speaker, I thank the gentlewoman from California (Mrs. CAPPS) for her comments and her leadership on dealing with the nursing shortage.

Our friends on the other side of the aisle, the Republicans, captured the White House and held the majority in this body and retook the Senate based in part on a slogan of compassionate conservatism. Based on what we have heard tonight on cuts to Medicaid, Medicare and cuts to veterans benefits, I am not sure I see the compassion; and based on earlier comments about their budget having a \$4 trillion deficit, I am not sure where I see the conservatism.

Mr. SPRATT. Mr. Speaker, I thank the gentleman, and yield to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, I thank the gentleman for the work he has done on this year's budget and in attempting to speak about the facts, not the political rhetoric, but about the facts.

Tonight, as we speak, we both know that the Committee on the Budget of both the House and the Senate are attempting to work out the budget resolution, and the gentleman from South Carolina (Mr. SPRATT) is here on the floor, and Democrats are being completely excluded once again from making any of the decisions.

I have been here for 24 years, and for most of those 24 years I have been labeled here and at home as a tax-and-spend Democrat. I have looked forward to the day, really I did not look, I looked forward to shirking that title, and we have done that. We have done that. But now we have borrow-and-spend Republicans, and my grandchildren do not differentiate between either one.

What we have attempted to do now, over the last several years is, and we were successful up until last year when once again we began to experiment with the idea that there is no such thing as a bad tax cut as far as the economy and jobs are concerned. We experimented in 1981 and we borrowed \$4 trillion, and it took us until 1997 to get us to a balanced budget. I was proud to stand on the floor in 1995 when we passed the balanced budget constitutional amendment which would have required this body to balance its budget every year except when we are at war.

Let me make this point right now. Tonight we are at war; we are at war in Iraq. We are losing some of our youngest and finest. The House last week voted to borrow the money necessary to fight that war, and we will borrow whatever is necessary to fight that war because every dime that is required for tax cuts or for fighting the war will be borrowed money.

But tonight I want to focus in this brief period of time on where we are regarding debt and debt limits and to express my strong opposition and complete disappointment in this House going back and trying to hide increasing the debt ceiling. Instead of doing what we were accused of doing for years, and we Democrats did it, we hid the debt ceiling increases in a budget resolution, and we were chastised for doing that, and I was not for us doing it, and I am not for us doing it today. And the gentleman from South Carolina (Mr. SPRATT) was not either.

But now we are faced with a vote in which we are going to vote to increase our debt ceiling. If we take the budget that passed here last week, we are going to increase the debt ceiling to \$11 trillion in the next 10 years. That is obscene. In the next 5 years, we are going to increase it by almost \$3 trillion.

What are we here tonight talking about? What I am here tonight saying is, we are at war and we are behind the troops, and it was almost a unanimous vote of the House supporting our troops and our commander in chief, almost unanimous.

This is the first war in the history of our country that we are arguing about how big a tax cut we are going to give to the American people, not all of the American people, in order to fight the war. That does not make sense to the people I represent. I have yet to find the first person at home, and I am sure I might find one now, that says, you bet, borrow that money. Borrow that money for a \$700 billion tax cut, borrow that money to fight the war so those men and women doing their best for America today, when they come home and they go back to work, they will get to pay the interest on the debt.

Friends on both sides of the aisle say this is not the time to be arguing how big a tax cut and whether we are going to make it permanent. This is a time to hunker down and say, How can we in fact manage our fiscal affairs in wartime and do it in a way that does not do damage to our veterans, that does not do damage to Medicare and Medicaid recipients. We had an opportunity to vote on that, but we did not vote for it. We voted for the economic game plan that was put in place 2 years ago that folks apparently still believe is working even though by their own plan, their own budget shows that if everything works exactly like they have it planned, exactly like the dynamic scorers believe it will work, we will end up owing \$11.564 trillion in 2013.

Things changed on September 11, 2001. I do not understand why the other side of the aisle cannot admit that things changed on September 11, 2001, in a lot of other areas other than in our necessity to fight a war. It caused a change in our economy. It caused a change big time in our economy. That, to me, requires another look at the economic game plan; and the budget that the gentleman from South Carolina (Mr. SPRATT) put on the floor, that

the Blue Dogs put on the floor, would have recognized that change, but we lost.

Now let me say again, I hope that the wisdom of this House is not that we will attempt to hide increasing the debt ceiling in a budget resolution. If Members really believe the economic game plan is what they say it is, have the courage to come out with a clean bill; as Secretary Snow has asked us to do, on April 4, have a clean bill to say to the American people, we believe you ought to borrow the money in order to give us the tax cuts, all of them that we are talking about. There are good tax cuts, marriage tax penalty relief, child tax credit, estate tax relief, things that we can agree on, and we have agreed on in a bipartisan way, that can be paid for.

But I am getting a little bit tired of hearing everybody talk about these tax cuts we are now talking about and compare it back to what John F. Kennedy did in 1960. Sure, when you cut the marginal rate from 90 percent to 50 percent, we change economic behavior.

But I challenge Members, and we are unable to find a reputable economist who says cutting the marginal tax rate on today's corporate CEOs from 38 to 37 percent is going to change economic behavior and is going to create jobs and economic activity in the United States. And that is what we are arguing about. I do not understand it.

But if Members do believe it, let us have an honest debate, no more canned speeches from political campaigns. Let us talk about how we are going to borrow \$3 trillion in the next 5 years and we are going to owe \$11 trillion at the end of 10 years, following the economic game plan that some believe cannot be changed in this House. We are not doing a service to our grandchildren when we make that argument. We are darned sure not doing a favor to those who are out defending the freedom tonight as we speak. We are not doing them a favor when we are saying we must borrow money for an economic game plan that has already shown it cannot possibly work in the economic climate we are in.

Mr. SPRATT. Mr. Speaker, I yield to the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT of Virginia. Mr. Speaker, I thank the gentleman for yielding me. A great political philosopher once said, if you do not change directions, you might end up where you are headed.

Let us look at where we were headed; as we look at the budget deficits over the course of the years, we see the Johnson, Nixon, Ford, Carter, Reagan, and Bush deficits. When President Clinton came in, we passed a budget in 1993 without any Republican support in the House or Senate. The Republicans took over the House and Senate after the 1994 election, but remember, when they passed massive tax cuts similar to the ones that they passed in 2001, President Clinton vetoed those bills.

They threatened to close down the government if he did not sign them. He

vetoed them again. They closed down the government. He vetoed them again, and it was essentially the Clinton plan that ran us up into surplus.

Within 1 year of the Bush administration, we are back down into deficits, and everything that we are spending on the war, since there is no way to pay for it, adds on to the bottom line, so this chart really might go off the chart.

What is the plan? In 2000, we had a surplus. By 2001, we have spent all of the Medicare surplus. September 11 is 3 weeks before the end of the fiscal year. The fiscal year ends September 30, so this was done before September 11, 2002, we are spending all of Medicare, all of Social Security, and \$160 billion in more debt. If we keep going at the rate we are going, it is going to be all of Medicare, all of Social Security, \$300 billion in additional debt as far as the eye can see.

Now this has consequences. We have heard of the debt tax. A family of four's proportion of interest on the national debt, when you run up all that debt, \$4,400. It was going to be down to zero if we had kept going in the direction we were going; but instead, since we were piling on new debt, by 2013, a family of four, over \$8,400.

□ 2045

We were told we had to run up all this debt and ruin the budget to create jobs. This is the number of jobs in millions for each administration: Carter, 9 million; Reagan, second administration, 9 million; Clinton, 10 million. We are losing more jobs than we are creating after that budget was created.

With no money, you have an effect on education. About a year and a half ago, the administration ran all over the country with a bipartisan group of leaders in the House Committee on Education and the Workforce and the Senate Committee on Health, Education, Labor, and Pensions because we had passed No Child Left Behind. We have a two-step process in Washington about spending money. The authorization, No Child Left Behind, and then the appropriation. Here is the authorization. In 2003 we spent \$23.8 billion; and this year's budget, we are going to spend less, about \$10 billion less than we promised in No Child Left Behind. At the same time, we are eliminating education programs like comprehensive school reform, dropout prevention, elementary school counseling, eliminating those programs, eliminating arts programs for disabled students. We are funding at less than inflation after-school programs, safe and drug-free school programs, bilingual education. Those are the kinds of cuts that are necessary because we do not have the money.

We are also cutting education generally. Over the last few years, we have been increasing education 12.3 percent. This budget that we are looking at now cuts education 2.7 percent, and what gets cut? Head Start, 28,000 if Head

Start takes its proportional share of the hit; 28,000 students will not get the ability to get a head start. That program has been proven to give those not born to privilege a fair chance in life, and now because we are giving tax breaks, they will not have that opportunity.

If the money comes out of school lunches proportional to the way the budget is cut, 500,000 students will not get school lunches. That is what happens when we cut the budget. We have to cut something. School lunches is what gets cut.

We are also cutting access to college. We know that college tuition, particularly State college, is going up. States are having fiscal problems, every State. I know my State is increasing student tuition. Of the last count, over 400,000 students every year qualify for college, take the right courses, take the college entrance exams, have good enough grades to get in, but cannot afford to go because they cannot afford it. And here we are in this budget cutting student loans, cutting Pell grants so that the maximum amount is less than it is this year. To add insult to injury, we are also cutting programs that encourage low-income and minority students to attend college, and we know that college is one's ticket to success in this country.

Also in special education, several decades ago we promised to spend 40 percent of the cost of educating students under the Individuals with Disabilities Education Act. At the rate we are going in this budget, we will never get to 40 percent.

This budget cuts important programs. We have heard about health care. We have heard about veterans. We have heard how deep in debt this budget goes, and we just have to wonder how bad it has to get before it is time to change directions again and go in a better direction.

I thank the gentleman for yielding, and I thank him for his leadership in responsible budgeting.

Mr. SPRATT. I thank the gentleman from Virginia.

ANNOUNCEMENT BY COMMITTEE ON RULES REGARDING H.R. 6, ENERGY POLICY ACT OF 2003

Mr. DREIER (during the Special Order of Mr. SPRATT). Mr. Speaker, I would like to announce that the Committee on Rules may meet this week to grant a rule which could limit the amendment process for floor consideration of H.R. 6, the Energy Policy Act of 2003.

Any Member wishing to offer an amendment should submit 55 copies of the amendment, one written copy of a brief explanation of the amendment and one electronic copy of the same to the Committee on Rules in Room H-312 of the Capitol by 10 a.m. on Wednesday, April 9. Members should draft their amendments to the bill as introduced on April 7.